



## **Staff Report**

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### **PUBLIC HEARING TO CONSIDER PROPOSED BUDGET FOR FISCAL YEAR 2011 (CONTINUED FROM 6/22/10)**

Honorable Mayor and Council Members:

#### **Summary**

It is recommended that the City Council approve the attached resolutions implementing the Fiscal Year 2011 Budget, Appropriations Limit, and Master Revenue Schedule for the City of Belmont.

#### **Background & Discussion**

On May 22<sup>nd</sup>, City Council received a report from staff introducing the FY 2011 Budget. After hearing testimony, the City Council gave direction to staff and set June 8<sup>th</sup> as the public hearing to adopt the budget.

On June 8<sup>th</sup>, City Council conducted a public hearing on the FY 2011 Budget. The Council continued this item to their June 22<sup>nd</sup> meeting and directed staff to bring back a budget reflecting labor savings.

On June 22<sup>nd</sup>, City council continued the public hearing on the FY 2011 Budget. The Council continued this item to the June 29<sup>th</sup> meeting.

#### **Fiscal Impact**

Establish the City of Belmont's Base revenue budget at \$58,425,409, appropriation budget at \$82,178,506 and Capital Improvement Program budget at \$23,505,265, Net Other Sources (Uses) at \$41,399,636 and permanent staffing at 131.65 full time equivalents for Fiscal Year 2011.

The above appropriation budget and full time equivalent headcount are subject to further modification as directed by City Council based upon the budget resolution adopted.

#### **Public Contact**

Public hearing was legally noticed.

#### **Recommendation**

Staff has prepared a resolution for City Council consideration that reflects the equivalent of labor concessions by reducing the personnel budget line items in the amount of \$455 thousand. Commensurate with these reductions, this resolution further directs that staff prepare a revised Staffing Plan that incorporates either reductions in work hours or position elimination or a combination thereof as prescribed in the labor agreements. Any voluntary labor concessions agreed to by Council could be used to reduce the amount of personnel budget cuts needed.

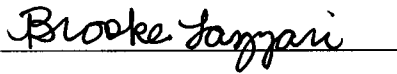
**Alternatives**

1. Amend the resolution(s) and adopt an alternative budget.
2. With direction, refer the budget back to staff for further consideration.

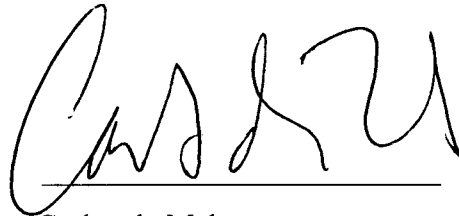
**Attachments:**

- A. Budget Resolution-Personnel Budget Reductions
- B. Appropriations Limit Resolution
- C. Master Revenue Resolution

Respectfully submitted,



Brooke Lazzari  
Deputy Finance Director



Carlos de Melo  
Acting City Manager

**Staff Contact:**

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**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT ADOPTING  
THE PROPOSED FY 2011 BASE BUDGET REVENUE, APPROPRIATIONS, CAPITAL  
IMPROVEMENT PROGRAM BUDGETS AND PERMANENT STAFFING PLAN FOR  
THE CITY OF BELMONT**

**WHEREAS**, the City Council desires to have a fiscal and staffing plan for the City of Belmont in order to plan for anticipated revenues and control expenditures; and

**WHEREAS**, the fiscal year revenue, appropriation, capital improvement program and permanent staffing plan for the City of Belmont is expressed in the budget documents entitled "City of Belmont FY 2011 Budget"; and

**WHEREAS**, the City Council and the Finance Commission reviewed the proposed budgets for compliance with the goals and objectives of the community; and

**WHEREAS**, the City Council has held Public Hearings on the programs and fiscal policies to obtain public comments regarding the Proposed Budget document; and

**WHEREAS**, the long term financial projections suggest an additional correction effort estimated at \$455 thousand, or 3% of the General Fund operating budget, is needed to meet the City's financial policy objectives.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Belmont that the Revenue, Appropriations and Capital Improvement Program (CIP) budgets for Fiscal Year 2011 shall be adopted as follows:

<b>Fund</b>	<b>Fund Title</b>	<b>Revenue</b>	<b>Appropriation</b>	<b>Capital Improvement Program</b>	<b>Net Other Sources (Uses)</b>
<b>101</b>	General Fund	\$15,356,610	\$14,790,628		(\$848,642)
<b>205</b>	Recreation Services	1,269,438	1,838,784		569,345
<b>206</b>	Library Maintenance & Operation	300,435	416,176	\$25,000	
<b>207</b>	Athletic Field Maintenance	64,391	52,373		
<b>208</b>	City Tree Fund	15,455	14,142	15,000	
<b>210</b>	Development Services	1,452,487	1,489,791		37,304
<b>212</b>	General Plan Maintenance Fee	75,366	75,000		
<b>223</b>	Belmont Fire Protection District	6,470,122	5,703,238		
<b>225</b>	Public Safety Grants	33			
<b>227</b>	Supplemental Law Enforcement Services	100,085	163,815		63,730
<b>229</b>	Police Special Programs	178,470	178,470		
<b>231</b>	Street Maintenance (Gas Tax)	1,430,390	1,587,016		
<b>234</b>	Street Improvements (Measure A/Grants)	1,323,959	72,304	1,327,733	(20,299)
<b>235</b>	Traffic Mitigation	388			
<b>250</b>	Redevelopment	935	676,051		459,317
<b>251</b>	Low and Moderate Income Housing	1,890,882	3,772,957	4,882,900	16,650,000

308	General Facilities	1,108	3,174	257,800	
310	Unanticipated Infrastructure Repair	1,319			
312	Comcast PEG Fund	1,309	28,000	126,000	
334	Hwy 101 Bike/Pedestrian Bridge	8,387,912	20,299	8,387,912	20,299
341	Planned Park	2,907	5,456	685,000	
343	Open Space				
351	RDA Capital	30,900	64,866	4,222,000	7,084,262
406	Library CFD Bond	658,994	668,440		
450	Redevelopment Debt Service	7,174,304	13,567,479		9,040,484
451	Redevelopment Debt Service Reserve				(338,927)
501	Sewer Enterprise-Operations	6,542,824	4,689,696		
503	Sewer Enterprise-Capital	16,329	1,455,635	1,605,420	9,031,086
505	Sewer Enterprise-Treatment Plant Connection	17,729	297,737		(925,090)
507	Sewer Enterprise-Treatment Plan Facility		58,485		
525	Storm Drainage Enterprise	900,003	1,323,901	1,850,500	394,004
530	Solid Waste Fund	516,810	379,552		
570	Workers' Compensation	509,624	429,950		
571	Liability Insurance	371,431	514,544		
572	Self Insured Vision	30,139	31,453		
573	Fleet & Equipment Management	1,524,890	2,312,610	120,000	4,500
574	Facilities Management	949,489	1,127,751		178,263
575	Benefit Stabilization	856,766	863,466		
704	Special Assessment Districts	1,173			
<b>Totals</b>		<b>58,425,409</b>	<b>\$58,672,241</b>	<b>\$23,505,265</b>	<b>\$41,399,636</b>

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Belmont establishes the permanent staffing plan at 131.65 full time equivalent positions.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Belmont adopts this Proposed Budget with the following additional correction effort reflecting labor savings pursuant to reduction of the personnel budget as attached hereto as Exhibit A.

\* \* \* \* \*

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a special meeting thereof held on June 29, 2010 by the following vote:

AYES, COUNCILMEMBERS: \_\_\_\_\_

NOES, COUNCILMEMBERS: \_\_\_\_\_

ABSTAIN, COUNCILMEMBERS: \_\_\_\_\_

ABSENT, COUNCILMEMBERS: \_\_\_\_\_

APPROVED:

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CLERK of the City of Belmont

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MAYOR of the City of Belmont

### Reductions to Personnel Budget

As directed by City Council at the June 29<sup>th</sup> meeting, the following reductions are to be made to the Fiscal Year 2011 Budget. Commensurate with these reductions, the Council further directs that staff prepare a revised Staffing Plan that reflects either reductions in work hours or position elimination or a combination thereof as prescribed in the labor agreements. The final line item reductions will be determined based on the specific staffing plan accepted.

Any voluntary labor concessions agreed to by Council could be used to reduce the amount of personnel budget cuts needed.

The adjustments that follow are preliminary and subject to modification based on the final staffing plan adopted.

<b>Account Number</b>	<b>Account Description</b>	<b>Reduction</b>
8101	Regular Salaries	(\$268,948)
8102	Permanent Part time	(4,427)
8103	Temporary Part time	(11,716)
8111	Overtime-Scheduled	(9,392)
8112	Standby Pay	(1,604)
8113	Holiday Pay	(294)
8114	Acting Pay	(162)
8119	Separation Pay	(3,609)
8211	PERS Retirement	(50,636)
8221	FICA Social Security	(726)
8231	Health Insurance	(441)
8232	Medicare Social Security	(4,388)
8233	Life & Disability Insurance	(3,190)
8241	Dental Insurance	(4,222)
8242	Vision Insurance	(751)
8251	Uniform Allowance	(863)
8253	Auto Allowance	(1,335)
8259	Deferred Compensation	(16,484)
8271	Section 125 - Health Insurance	(38,158)
8281	Other Post Employment Benefits	(21,137)
8285	Worker's Compensation	(12,516)
Total		<u>(\$455,000)</u>

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT APPROVING  
THE ARTICLE XIII B APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2011**

**WHEREAS**, the voters of California on November 6, 1979 added Article XIII B to the State Constitution placing various limitations on the appropriations of the State and local governments; and

**WHEREAS**, Proposition 111 adopted by the California voters on June 5, 1990, amended Article XIII B to provide that the Appropriations Limit for each fiscal year be calculated by adjusting the base year appropriations of fiscal year 1986-87 for changes in the cost of living and populations; and

**WHEREAS**, Article XIII B requires public entities in the State of California to set an annual appropriations limit; and

**WHEREAS**, the appropriations limit is based on factors which include the appropriations limit for the prior fiscal year; and

**WHEREAS**, the League of California Cities issued in March, 1991, uniform guidelines for the implementation of the provisions of Article XIII B; and

**WHEREAS**, Article XIII B requires the City Council to select the population and inflation factors for each year's appropriations limit calculation; and

**WHEREAS**, information for making this limit calculation for the City of Belmont has been available for public inspection in the City offices for the 15 days prior to the scheduled adoption of this resolution, in accordance with Government Code Section 7910 requirements; and

**WHEREAS**, the information necessary for making these adjustments is attached; and

**WHEREAS**, Exhibit 1 attached hereto is provided in support of the Gann Limit calculation.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Belmont takes the following action:

Section 1.                      The Appropriations Limit for the City of Belmont for the FY 2011 shall be \$12,471,152.

Section 2.                      The inflation factor being utilized to calculate the FY 2011 appropriations limit is the California per capita income.

Section 3.                The population factor being utilized to calculate the FY 2011 appropriations limit is the City of Belmont's population growth provided by the County of San Mateo.

\* \* \* \* \*

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a special meeting thereof held on June 29, 2010 by the following vote:

AYES, COUNCILMEMBERS: \_\_\_\_\_

NOES, COUNCILMEMBERS: \_\_\_\_\_

ABSTAIN, COUNCILMEMBERS: \_\_\_\_\_

ABSENT, COUNCILMEMBERS: \_\_\_\_\_

\_\_\_\_\_  
CLERK of the City of Belmont

APPROVED:

\_\_\_\_\_  
MAYOR of the City of Belmont



**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT  
ADOPTING FY 2011 MASTER REVENUE SCHEDULE**

**WHEREAS**, the City Council has determined the need to charge fees for general government, police, recreation, development, engineering, park in-lieu, sewer, storm drainage and other services; and

**WHEREAS**, staff reviewed and updated the Master Revenue Schedule to ensure that an appropriate fee is charged by reflecting one of the following adjustments:

Type	Description	Amount
<b>CPI</b>	To reflect general increase in cost of service	2.6%
Hourly Rate	To reflect increase or decrease in productive hourly rates for service provided	Various
Markup	To reflect increase or decrease in markup for staff time and related costs to manage consultant work	No change
Level of Effort	To reflect increase or decrease in level of effort to complete one unit of service	Various

**WHEREAS**, the City of Belmont desires to have all fees located in one document; and

**WHEREAS**, a public hearing was held and all objections or protests were heard on the proposed fees.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Belmont adopts the attached Master Revenue Schedule (Exhibit 1).

\* \* \* \* \*

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a special meeting thereof held on June 29, 2010 by the following vote:

AYES, COUNCILMEMBERS: \_\_\_\_\_

NOES, COUNCILMEMBERS: \_\_\_\_\_

ABSTAIN, COUNCILMEMBERS: \_\_\_\_\_

ABSENT, COUNCILMEMBERS: \_\_\_\_\_

\_\_\_\_\_  
CLERK of the City of Belmont

APPROVED:

\_\_\_\_\_  
MAYOR of the City of Belmont